



# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of  
S.E.C. Activities

Washington, D.C. 20549

(Prepared by the SEC Office of Public Information)

FOR RELEASE September 26, 1972

(Issue No. 72-184)

## NEW RULES AND RULE PROPOSALS

SEC ISSUES RULE 144 INTERPRETATIONS. The Commission today released certain interpretations by the Division of Corporation Finance of Rule 144 under the Securities Act of 1933. These interpretations are intended to clarify some aspects of the Rule that have been the subject of inquiry. Among the significant interpretations released are ones dealing with securities acquired by an underwriter in connection with a public offering, solicitation of customer's orders, and use of a moving average of trading volume for calculating the amount of securities that might be sold under the Rule.

The Commission also announced the adoption of an amendment to Rule 144(h) requiring the filing of Form 144 not only with the Commission but also with the principal securities exchange on which the securities sold are listed and an amendment to Forms 10-Q and 10-K so that the cover page of such reports will more clearly reflect that the issuer has complied with the filing requirements necessary in order for its security holders to use Rule 144.

In addition, the Commission released for comment proposed revisions to Rule 144(g)(2) that would allow brokers, under certain circumstances, to insert quotations in an interdealer quotation service while selling securities pursuant to Rule 144. The Commission invited comment on the proposed revision and also on other alternatives for dealing with the problem of solicitation of customers' orders and use of the interdealer quotation service under Rule 144(g). (Rel. 33-5306 and 33-5307)

## COMMISSION ANNOUNCEMENT

CONDITIONAL APPROVAL GIVEN TO ACQUISITION OF MISSOURI UTILITIES CO. BY UNION ELECTRIC CO. Chief Administrative Law Judge Warren E. Blair has filed an initial decision conditionally granting the application of Union Electric Company of St. Louis, Mo., to acquire the outstanding common stock of Missouri Utilities Company of Cape Girardeau, Mo., through a proposed offer to stockholders of Missouri Utilities of an exchange of 1.1 shares of Union Electric common stock for each share of Missouri Utilities common stock surrendered. The decision is subject to review by the Commission either on its own motion or upon petition by a party.

The Administrative Law Judge found that the proposed exchange rate of 1.1 to 1 was fair and reasonable, but also found that upon the acquisition of Missouri Utilities, the Holding Company Act of 1935 would not permit a continuation of combined gas-electric operations by the Union Electric system nor permit the retention of the water service properties of Missouri Utilities. Additionally, it was concluded that those electrical properties of Missouri Utilities located in the area of Senath, Mo., which are not interconnected with other service areas of Union Electric or Missouri Utilities, would also have to be divested, and that upon consummation of the proposed acquisition, Union Electric would have to file a plan pursuant to Section 11(e) of the Act making provision for the elimination of any resulting publicly-held minority stock interest in Missouri Utilities. It was therefore ordered that the application of Union Electric be granted upon the condition that Union Electric divest the indicated properties. An exemption pursuant to Section 3(a)(2) of the Act from all provisions of that Act, except Section 9(a)(2) thereof, was also granted to Union Electric upon condition that the referred to divestiture take place.

## DECISION IN ADMINISTRATIVE PROCEEDING

ORIN R. DUDLEY SANCTIONED. The SEC has issued an order revoking the broker-dealer registration of Orin R. Dudley, doing business as Orin R. Dudley Co., of New York, and barring him from association with any broker-dealer, registered investment company or registered investment adviser. According to the Commission's decision, Dudley failed to comply with net capital and recordkeeping requirements during the period November 1970 to January 1971. Without admitting or denying the charges against him, Dudley consented to the Commission's findings and the indicated sanctions. (Rel. 34-9782)

## COURT ENFORCEMENT ACTION

PEDRO CILIBERTO ENJOINED. The SEC Denver Regional Office announced that on August 11 the Federal District Court in Salt Lake City, Utah, permanently enjoined Pedro Torres Ciliberto (also known as Pedro Torres), of Miami Beach, Florida, and Caracas, Venezuela, which in substance prohibited the defendant from violating the registration and anti-fraud provisions of the Federal Securities laws in connection with the offer, sale, or purchase of Series "A" and Series "B" bonds of San Salvador Savings and Loan Co., Ltd., or any other security. (LR-5540)

HOLDING COMPANY ACT RELEASES

METROPOLITAN EDISON COMPANY. The notice period during which interested persons may request a hearing upon a proposal of Metropolitan Edison Company, Berks County, Pa. subsidiary of General Public Utilities Corp., to issue and sell \$53 million of debentures at competitive bidding has been changed from a final date of October 6 to a final date of October 2. (Rel. 35-17697A)

OHIO EDISON COMPANY. The SEC has issued an order authorizing Ohio Edison Company, Akron holding company, to acquire from the City of Norwalk, Ohio, the electric utility system owned and operated by the city for a consideration of \$5,850,000 plus the cost of net additions to the system since March 1, 1970, estimated to be \$371,331. (Rel. 35-17703)

GEORGIA POWER COMPANY. The SEC has issued a notice giving interested persons until October 11 to request a hearing regarding an application of Georgia Power Company, Atlanta subsidiary of The Southern Company, to issue and sell at competitive bidding 750,000 shares of preferred stock. The net proceeds, along with other funds, will be used to finance Georgia's 1972 construction program (estimated at \$465,683,000), to pay short-term promissory notes, and for other lawful purposes. (Rel. 35-17704)

INVESTMENT COMPANY ACT RELEASES

THE EQUITABLE LIFE SEPARATE ACCOUNTS C AND D. The SEC has issued an order on an application by Equitable Life Assurance Society of the United States and its Separate Accounts C and D permitting the securities of Account D to be held by Equitable in its own vault, and permitting access to such securities to state insurance authorities and a limited number of officers and employees of Equitable. The order also permits elimination of the sales load when variable annuity contracts are purchased under an insurance policy or annuity contract issued by Equitable and exempts applicants from the requirement that proceeds from the sale of the variable annuity contracts be deposited with a trustee. (Rel. LC-7377)

SECURITIES ACT REGISTRATIONS

WORLD WIDE MEATS, INC., Highway 30, South Denison, Iowa 51442, filed a registration statement on Sept. 20 seeking registration of 340,000 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (\*at \$3 per share maximum) through underwriters headed by R. G. Dickinson & Co., 910 Grand Avenue, Des Moines, Iowa. The company is engaged in the business of boning beef for sale at competitive bidding. (File 2-45764)

POTOMAC ELECTRIC POWER COMPANY, 1900 Pennsylvania Ave., N. W., Washington, D. C. 20006, filed a registration statement on September 20 seeking registration of 2,500,000 shares of common stock, to be offered for public sale (\*at \$14.75 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, New York. Net proceeds will be used to retire short-term borrowings, estimated to aggregate \$36 million. Construction expenditures are estimated at \$216,000,000 for 1973 and \$1,308,000,000 from September 1972 through the end of 1976. (File 2-45768)

MAJOR ELECTRONICS CORPORATION, 5802 Third Ave., Brooklyn, N.Y. 11220, filed a registration statement on September 20 seeking registration of 225,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 75,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$18.375 per share maximum) through underwriters headed by Seiden & de Cuevas Inc., 110 Wall St., New York, N.Y. The company is engaged in the design, assembly and importing of low-priced phonographs, radios and similar products for domestic distribution. Net proceeds will be used to pay debt and for working capital purposes. (File 2-45771)

MGF OIL CORPORATION, 1126 Vaughn Bldg., Midland, Tex. 79701, filed a registration statement on September 20 seeking registration of 150,000 shares of common stock. It is proposed to offer these shares in exchange for limited partnership interests in MGF 70, Ltd. and MGF 70-A, Ltd., two partnerships. The company is engaged in business as an oil and gas operator. (File 2-45772)

GIUMARRA VINEYARDS CORPORATION, Edison Highway, Edison, Calif. 93220, filed a registration statement on September 21 seeking registration of 700,000 shares of common stock, of which 100,000 are to be offered for public sale by the company and 600,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$25 per share maximum) through underwriters headed by Kidder, Peabody & Co., 10 Hanover Sq., New York. The company is engaged in the growing and shipping of grapes and in producing wines. Of the net proceeds of its stock sale, \$650,000 will be used for planting and three-year development of about 640 acres of wine varietal grapes and the balance for working capital and other corporate purposes. (File 2-45773)

WALKER & LEE, 1477 South Manchester Ave., Anaheim, Calif. 92802, filed a registration statement on September 21 seeking registration of 100,000 shares of common stock, to be offered for public sale (\* at \$7 per share maximum). No underwriting is involved. The company is engaged in the real estate brokerage business. Of the net proceeds of its stock sale, \$375,000 will be used to finance the cost of five new resale offices and the balance for working capital and other corporate purposes. (File 2-45776)

**NATIONAL SHOES, INC.**, 595 Gerard Ave., Bronx, New York 10451, filed a registration statement on September 21 seeking registration of 400,000 shares of common stock, of which 150,000 are to be offered for public sale by the company and 250,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$13.75 per share maximum) through underwriters headed by Hallgarten & Co., 44 Wall St., New York 10005. The company is engaged in the sale of shoes and related items. Net proceeds will be used to finance the continuation of the company's store expansion and renovation program. (File 2-45777)

**STOCK PLANS FILED.** The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:  
 Union Bank, Los Angeles, California (File 2-45740) - 335,832 shares  
 Sam Solomon Company, Inc., Charleston Hts., S.C. (File 2-45767) - 65,000 shares  
 Occidental Petroleum Corporation, Los Angeles, Calif. (File 2-45774) - 2,598,424 shares  
 Bernzomatic Corporation, Rochester, N.Y. (File 2-45778) - 125,000 shares

#### MISCELLANEOUS

**RECENT FORM 8-K FILINGS.** The companies listed below have filed Form 8-K reports for the month indicated, responding to the item on the 8K form numbered in the parentheses. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the several items of the form was included in the September 1 News Digest.

#### 8K Reports For May 72

Leisure Living Communities Inc Jun 72 (2,13)	1-6338-2	Holiday Inns Inc (3,11)	1-4804-2
May Dept Stores Co (2)	1-79-2	Loral Corp (13,14)	0-5148-2
Lancer Graphic Inds Inc Nov 71 (9)	0-5763-2	Media Creations Ltd Oct 70 (1,8,13)	0-4501-2
Natl Liberty Corp (1,11,14)	0-3583-2	Mor-Flo Inds Inc (11,14)	0-4842-2
Natl Telefilm Associates Inc (2)	0-57-2	Neuro-Psychiatric & Health Services Inc (2,14)	0-5751-2
LVO Int'l Inc Apr 72 (3,12)	0-1772-2	Mississippi River Corp (8)	1-3599-2
Seafarro Inc (3)	2-52974-2	Natural Gas Pipeline Co Of America (13)	1-6599-2
Hawkeye Communications Inc (7,9,10,14)	2-39347-2	Peerless Develmnt Corp (12)	0-3439-2
Hudson Pulp & Paper Corp (13)	1-3546-2	Marsh Supermarkets Inc (12)	0-1532-2
Monroe Group Inc (11,12,13)	0-4419-2	McMoran Exploration Co Jun 72 (11)	0-5332-2
Sigmatics (3,10,13)	0-5950-2	Medequip Corp (2,10,14)	0-4688-2
North American Planning Corp (13)	0-3859-2	Miss Pat (1,8,14)	0-1062-2
Macdermid Inc (3)	0-2413-2	Rusco Inds'inds Inc Sept 71 (3)	1-5087-2
K & H Macy & Co Inc (3)	1-556-2	Southeastern Properties Inc (13)	2-41669-2
Marriott Corp (7,13)	1-5664-2	TMA Co (6,13,14)	1-3715-2
Sherwood Diversified Services Inc Jun 72 (1,10,13)	0-5038-2	Terex Corporation Jun 72 (2,14)	0-2669-2
National Apparel Corp (7,13,14)	0-4743-2	U N A Corp (2,12)	0-3332-2
Handmacher-Vogel Inc (1,2,7,8,13)	0-1073-2	Appalachian Power Co Jun 72 (3)	1-3457-2
Health Delivery Systems Inc Jun 72 (3)	2-42245-2	Indiana & Mich Elec Co Jun 72 (3)	1-3570-2
Metropolitan Develmnt Corp (11)	0-1206-2	Kentucky Power Co Jun 72 (3)	1-6858-2
Marlennan Corp (11,13)	1-5998-2	Ohio Power Co Jun 72 (3)	1-6543-2
McCrorry Corp (8)	1-2759-2	The Shorewood Corp (11)	0-6236-2
J B Lippincott Co (7)	2-43598-2	Tennant Co Jun 72 (7,10)	0-4804-2
Southern Pacific Transportation Co (11,13)	1-6146-2	Van Schaack & Co (11,14)	0-6235-2
		Worthington Inds Inc Sept 71 (11)	0-4016-2
		Tri-South Mortgage Investors (7,13)	1-6913-2
		United Telecommunications Inc (11)	1-4721-2
		Universal Cigar Corp (11,13)	1-4974-2

8K Reports For May 72 Cont'dAmended 8K Reports

Playboy Enterprises Inc Jun 72 (7,13)	1-6813-2
Ual Inc (14)	1-6033-2
Wagner Elec Corp (4,14)	1-5434-2
Rakco Companies Inc Jun 72 (3,14)	0-592-2
Sibany Mfg Corp (1)	0-3586-2
U S Realty Invst (7,12,13)	1-5549-2
White Shield Corp (7,14)	0-3080-2
White Shield Indonesia Oil Corp (7,14)	0-6304-2
Torginol Inds Inc (2,12)	0-1977-2
Radice Realty & Construction Corp Apr 72 (1,2,4,7,11,13)	0-3984-2
Servamerica Inc (1,7)	0-5619-2
Van Der Hout Associates Ltd (11)	2-19391-2
Western Beef Inc Jun 72 (7)	0-4418-2
Whirpool Corp Apr 72 (11,14)	1-3932-2
Tony Lama Co Inc Jun 72 (7,9,14)	2-41840-2
Tipperary Land & Exploration Corp (12)	0-2960-2
Universal Gas & Oil Co Inc (7)	2-42901-2
V F Corp Jun 72 (7)	1-5256-2
Saturn Airways Inc (2)	1-5844-2
Universal Coverage Corp (3)	0-3978-2
Phila Elec Co Jun 72 (7,13,14)	1-1401-2
Schaevitz Engineering (13)	0-2696-2
Trailer Train Co (7)	2-20540-2

Fairmont Foods Co #1 for May 72 (13)	1-4100-2
Millers International Inc. #1 for Dec 71 (13)	2-34482-2
Biff's Incorporated #1 for May 72 (2)	0-4725-2
Bohack Corp #1 for May 72 (4)	1-5304-2
Duquesne Natural Gas Co #1 for Dec 71 (7,14)	0-4859-2
Rusco Industries, Inc. #1 for Oct 71 (3)	1-5087-2
Media Creations Ltd #1 for Jan 72 (2)	0-4501-2
Rusco Inds Inc #1 for Sept 71 (3)	1-5087-2
Seafarro Inc #1 for Apr 72 (3)	2-32974-2
Whittaker Corp #1 for Feb 72 (7)	1-5407-2
Keystone Custodian Funds Inc #1 for Jan 72	0-282-2

SECURITIES ACT REGISTRATIONS. Effective September 22: AMF, Inc., 2-44898; Automatic Compactor Corp., 2-44023 (90 days); Beneficial Corp., 2-45467; Educational Development Corp., 2-44408; Equitable Life Assurance Society - Separate Account D, 2-44921; Equity National Industries, Inc., 2-45242; Hospital Corp. of America, 2-45555; Ludlow Corp., 2-45558; Purification Systems, Inc., 2-44985 (90 days); Tesoro Petroleum Corp., 2-45577; Winkelhaak Mines Ltd., 2-45754

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

\*As estimated for purposes of computing the registration fee.

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